

Sponsorship

Sports & Entertainment Marketing

3.1

Event Triangle

Sports Sponsorship

•DEFINED:

—Investment in a sports entity or property to achieve organizational goals

•Examples

—“Signature Sponsor”

Sponsorship Leveraging

•Leveraging: getting as much as possible from a sponsorship agreement

Visa Leveraging EXAMPLE

Point of Sale Transactions = \$14.2 Million

ATM Withdrawals = \$4.56 Million

Embrace the Spirit Give-Away Program

Signage @ 2,500 Retailers

Olympians Reunion **Centre** = 5,000 guests

Visa **Customer Centre** = 3,000 assisted customers

Co-Promotions of Visa Entertainment & Marketing

Pass-Through Rights to Visa Members

•Banks & Credit Unions

20 Million **Cards** printed w/ Olympic Rings & Olympic Themes---**Licensing Agreements**

Drawbacks to Sponsorship

● Becoming Common

● Expensive

● Clutter

● Negative Publicity

Sponsorship Process

•Sponsorship Goals

•Sponsorship Budget

•Sponsor Acquisition

•Implementing & Evaluating

Look at Each Separately

Sponsorship Goals

- Goals of Sponsorship

- Direct or Indirect --Tangible or Intangible

- Easily Measured or Not Able to be Measured

- Direct: 1. Increase Sales

- Indirect: 2. Increase Awareness
 - 3. Be Competitive
 - 4. Reach the Target Market
 - 5. Build Customer Relationships
 - 6. Develop Image

Sponsorship Exclusivity

- Exclusivity in Sponsorship is in “Categories”

- Example: Fast Food, Non-Alcoholic Beverages, Banking

- Events

- Want Narrow Categories for Exclusivity

- Sponsors

- Want Broad Categories for Exclusivity

Kodak Sponsorship EXAMPLE

Program Requirements

- Brief Detailed Description**

- Contact Information**

- Fees & Payment Schedule**

- All Costs Expected from Kodak

- Six Month Lead Time, Minimum

- Direct On-Site Sales Opportunities**

- Three Year History of Kodak Related Sales

- Kodak Benefits**

- Tickets, Hospitality, Access, Exposure,...

- Product & Category Exclusivity**

- Marketing Opportunities**

- Other Kodak Companies, Interests, Products

- List of Other Sponsors**

- Terms: Annual, Multi-Year**

- Attendance**

- Three Year History

- Demographics**

Sponsorship Budgeting

Funding the Sponsorship & Promotions

- Funding by same means as in Promotion

- Competitive Parity

- Arbitrary Allocation

- Percentage of Sales

- Objective & Task

- 1. Fund for the Primary Sponsorship

- Pepsi –Major League Baseball, 2002

- \$80,000,000 over Five Years
- Sponsorship Budgeting
- 2. Fund the Co-Promotions
 - Frito-Lay Promotions & Bags
 - Pepsi 12 & 14 Pack Promotions & Boxes
 - Subway Signage & Promotion of MLB All-Star Balloting
 - “Open the Season” Pepsi Product Promotion
 - NASCAR & Brittany Spears Ticket Prize Packages
 - Cracker Jack Snack Sales & Trading Card Promotion

Sponsor Acquisition

- Determine Scope
 - GLOBAL, INTERNATIONAL, NATIONAL
 - REGIONAL, LOCAL
- Determine Athletic Platform
 - THE TEAM, EVENT, OR ATHLETE
- Select by:
 - Budget & Feasibility of Platform
 - Geographic Scope of the Sponsorship
 - Sponsorship Objectives
- Sponsorship Opportunity:

Aspen School of Music Benefit EXAMPLE

- Title Sponsor, \$375,000**
 - 2 NEWSWEEK ADS, 20 ROOMS/40 GUESTS
 - GIFT BAGS, SIGNAGE, PUBLICITY
- Presenting Sponsor, \$185,000**
 - 1 NEWSWEEK AD, 10 ROOMS/20 GUESTS
 - GIFT BAGS, SIGNAGE, PUBLICITY
- Gold \$95,000--Silver \$60,000--Bronze \$45,000 SPONSORS**
 - 5-3-2 ROOMS / 10-6-4 GUESTS, CREDENTIALS,
 - EVENTS, GIFT BAGS, SIGNAGE, LITERATURE,...
- Official Suppliers, \$20,000**
 - 1 ROOMS/2 GUESTS, GIFT BAGS
 - CREDENTIALS, COURSE BANNERS

Running & Evaluating the Sponsorship

- Important factors for Sponsor Participation
 - Number of Media Mentions
 - Media Equivalencies
- Advertising Dollar Value for Exposure
 - Sales Figures
 - Attitude Changes

—Number of Distributors

Why Sponsors Fail

- No Budget for Activation
- Not Long Term
- No Measurable Objectives
- Too Brand-Centric
- Overlook Ambush
- Too Much Competition
- Failure to Excite the Sales Chain
- Insufficient Staffing
- Buying at the Wrong Level
- No Local Extensions
- No Communications to Add Value

BORROWED EQUITY: Review

Discuss SWOT Concept & Evaluation Applications in Sponsorship
Identify Measurement Opportunities